

In re) Fair Hearing No. A-07/08-329
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Appeal of)

The petitioner appeals a decision by the Department for Children and Families, Economic Services Division, decreasing the amount of his Food Stamps. The issue is whether the Department correctly determined that the petitioner is not allowed a utility allowance. The facts are not in dispute.

1. The petitioner is a disabled individual and a one-person Food Stamp household. Petitioner received \$689.04 per month from the Social Security Administration.

2. On or about June 10, 2008, the Department sent petitioner a notice reducing petitioner's Food Stamps from \$162 per month to \$73 per month. The petitioner had informed the Department that his monthly rent was \$500 and included heat.¹ The Department explained they cannot apply a utility allowance when heat is included in the rent; without a

1 The petitioner's rent recently increased to \$600 per month including heat. The Department has recalculated petitioner's Food Stamps as \$103 per month.

utility allowance, petitioner's Food Stamps were decreased. In the past, the Department allowed a utility allowance because they were under the impression that petitioner paid separately for heat.

3. The petitioner agrees that his rent includes heat.

ORDER

The Department's decision is affirmed.

REASONS

The Food Stamp Program was created to combat hunger and malnutrition among low income households. Food Stamp Manual § 271.1. The amount of Food Stamps a household receives is based upon a complex formula that is set out in the Food Stamp Manual (FSM) and that reflects the level of federal funding for the Food Stamp Program. FSM § 273.9.

This formula includes all income unless the income is excluded. FSM § 273.9(b). In addition, the formula allows certain deductions to lower the household's countable income. FSM § 273.9(d). The Department applies a standard deduction to all households. FSM § 273.9(d)(1). This deduction was applied in petitioner's case leaving net income of \$550.04 per month (\$689.04 minus \$134).

Next, the Department looks at the shelter deduction. The shelter/utility allowance is determined by (a) adding the rent to the standard utility allowance, and (b) subtracting an amount equal to 50% of the household's net income. FSM § 273.9(d)(5)(i).

Because petitioner's heat is included in his rent, petitioner does not qualify for the standard utility allowance. FSM § 273.9(d)(6)(ii) only allows the Department to apply the standard utility allowance when the household pays heating costs separately from rent; for example, paying a utility company for heat.

In petitioner's case, his monthly countable income for Food Stamps was calculated as follows:

- (1) \$500 rent minus \$277.52 (half net income) = \$222.48 (shelter allowance)
- (2) \$550.04 net income minus \$222.48 = \$327.56

A one-person household with countable income of \$327.56 is eligible for \$73 Food Stamps per month. P-2590D.

The Department correctly calculated the petitioner's amount of Food Stamps. The Department's decision is affirmed. 3 V.S.A. § 3091(d).

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